

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re:

WATSON GRINDING &  
MANUFACTURING CO.

Debtors.

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Chapter 11

Case No. 20-30967 (MI)

OFFICIAL COMMITTEE OF JANUARY 24 CLAIMANTS'  
MOTION TO APPROVE ESI VENDOR CONTRACT

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

To the Honorable Marvin Isgur,  
United States Bankruptcy Judge:

The Official Committee of January 24 Claimants (the "Committee") files this *Motion to Approve ESI Vendor Contract* (the "Motion").

**PRELIMINARY STATEMENT**

1. The Committee and the Debtors have served over a dozen 2004 requests to various parties.<sup>1</sup> In order to manage the anticipated large responsive document production, the Committee

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<sup>1</sup> The Committee has also served the Debtor and Watson Valve Services, Inc. ("Watson Valve") with 2004 requests.

seeks approval to enter into a contract (attached as **Exhibit A**, the “Contract”) with Ipro Tech, LLC (“Ipro”). Under the Contract, all counsel for individual Committee members, counsel for Committee, Debtor’s counsel, and Watson Valve’s counsel will be able to log into the Ipro hosted site in order to review documents. Parties can collaborate and share document comments or parties can limit who can see document comments. Using a single ESI vendor will streamline the document production process and sharing an ESI vendor between parties will limit the cost of managing the document production. The Committee therefore seeks approval of the Contract.

2. Counsel for the Debtor and Counsel for Watson Valve were included in the ESI vendor presentations leading up to the Committee’s selection of Ipro, and they support the Committee’s decision to engage Ipro. Additionally, the Debtor already included the anticipated fees due to Ipro in the current cash collateral budget and will be authorized to pay these fees directly.

### **JURISDICTION AND VENUE**

3. This Court has jurisdiction over these cases pursuant to 28 U.S.C. § 1334. This is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A) and (O). Venue is proper in this district pursuant to 28 U.S.C. § 1408.

### **BACKGROUND**

4. On February 6, 2020 (the “Petition Date”), the Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (the “Bankruptcy Case”).<sup>2</sup>

5. The Debtor continues to operate its business as a debtor and debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.<sup>3</sup> On February 21, 2020, the United

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<sup>2</sup> Watson Valve also filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on February 6, 2020.

<sup>3</sup> Additional information regarding the Debtor and the Bankruptcy Case, including the Debtor’s business operations, capital structure, financial condition, and the reasons for and objectives Bankruptcy Case, is set forth in the














States Trustee for the Southern District of Texas (the “U.S. Trustee”) appointed the Committee pursuant to sections 1102(a) and 1102 (b)(1) of the Bankruptcy Code. The Committee consists of the following claimants: (i) Travis Horton, (ii) Massiel Nunez, (iii) Houston Corvette Service, (iv) Margarita Flores, (v) Phillip Burnam, (vi) Janette Thomas, and (vii) Gerardo Castorena, Jr. [Docket No. 89].

6. To date, no trustee or examiner has been appointed in this Bankruptcy Case.


### **RELIEF REQUESTED**

7. By this Motion, the Committee respectfully requests entry of an order approving the Contract.

8. The relevant terms of the Contract are below:

PRODUCT CODE	DESCRIPTION
<b>IAAS-HostedServices</b>	<b>eDiscovery Hosted Services performed by Ipro:</b>
<b>Ipro Hosted eDiscovery Services</b>	 <b>Data Ingestion \$40.00/GB</b>  <b>Data Hosting (Monthly) \$7.50/GB</b>  <b>Included:</b>  <b>Unlimited</b> <b>Review Users</b>  <b>Forensic File</b> <b>Extraction</b>  <b>Data Streaming with filtering (de-duplication, DeNist, and early stage filtering)</b>  <b>Data processing with standard quality checks (e.g. document imaging and OCR with multi-language capabilities)</b>   <b>Early Case Assessment (ECA) with Advance Analytics Tools</b>  <b>Unsupervised Technology Assisted Review (TAR)</b>   <b>Unlimited Productions</b>  <b>Self-Service data upload</b>  <b>Getting started assistance</b>  <b>24/5 technical support</b>  <b>Miscellaneous storage (SQL databases, logs, FTP uploads, copies of volumes, etc....)</b>
	<b>Optional Services:</b>

*Declaration of Robert L White in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”) [Docket No. 2].

	 <b>Advanced consulting or data management time \$200.00/hr</b>
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- **Either party may terminate this Agreement with thirty (30) days advance written notice. If terminated by the customer, monthly hosting and storage fees shall be due for the full month in which the termination becomes effective. If terminated by Ipro, monthly fees shall be prorated through the effective date of the termination.**

9. The Committee considered four ESI vendors in order to manage the document production in this case. After watching presentations from each and considering a cost comparison, the Committee chose Ipro for its experience, capabilities, and cost. The Committee estimates, based on the anticipated amount of documents, that the monthly cost will be approximately \$20,000.00.

### **CONCLUSION**

10. The Committee respectfully request that the Court approve the Contract and grant the Committee any other relief to which they may be entitled.

Dated: April 10, 2020

Respectfully submitted,

**PORTER HEDGES LLP**

/s/ Joshua W. Wolfshohl

Joshua W. Wolfshohl

Aaron J. Power

1000 Main Street, 36th Floor

Houston, Texas 77002

(713) 226-6000

(713) 226-6248 (fax)

[jwolfshohl@porterhedges.com](mailto:jwolfshohl@porterhedges.com)

[apower@porterhedges.com](mailto:apower@porterhedges.com)

**PROPOSED COUNSEL FOR THE OFFICIAL  
COMMITTEE OF JANUARY 24 CLAIMANTS**

**CERTIFICATE OF SERVICE**

This will certify that a true and correct copy of the foregoing document was forwarded by U.S. First Class Mail and via electronic transmission to all registered ECF users appearing in the case on April 10, 2020.

/s/ Joshua W. Wolfshohl

Joshua W. Wolfshohl